

EMPLOYMENT

Mount Lemmon Fire District v. Guido, --- U.S. --- (2018)

Decided November 6, 2018

FACTS: When the Mount Lemmon Fire District (Arizona) found itself in a budget crisis, it laid off two of its oldest firefighters, Guido and Rankin. They sued the fire district, which is a political subdivision of the state under Arizona law, under the Age Discrimination in Employment Act of 1967 (ADEA), 29 U.S.C. §621. The fire district argued that it was too small under federal law to qualify as an employer as it did not have twenty employees.

The issue centered on the following definition:

“The term ‘employer’ means a person engaged in an industry affecting commerce who has twenty or more employees The term also means (1) any agent of such a person, and (2) a State or political subdivision of a State”¹

The Ninth Circuit ruled that the definition indicated that a State, or a political subdivision of a State, did not require the numerosity limitation to be met for the ADEA to apply. The Fire District requested certiorari and the U.S. Supreme Court granted review.

ISSUE: Does the ADEA apply to government entities with fewer than 20 employees?

HOLDING: Yes

DISCUSSION: The Court reviewed the evolution of the law, which in 1974 was amended to “reach state and local employers.” The Court agreed that the phrase, “also means,” should be read to indicate that the two parts of the definition should be read independently. The Court agreed that in the same amendment, the Fair Labor Standards Act (FLSA) was amended to “reach all government employers regardless of their size.” The Court looked to the dozens of other instances in which the phrase is used in federal law and noted it “typically carr[ies] an additive meaning.”

The Court discounted the concern that applying the ADEA to “small public entities risks curtailment of vital public services.” The Court noted that in the years since many states have enacted similar laws on age discrimination, no “untoward service shrinkages have been documented.”

The Court affirmed the decision of the Ninth Circuit Court of Appeals.

FULL TEXT OF OPINION: https://www.supremecourt.gov/opinions/18pdf/17-587_n7ip.pdf

¹ 29 U.S.C. §630(b)

NOTE: Although this case involved a fire district, the same interpretation can be placed on small city governments in Kentucky as well, some of which may have fewer than 20 employees total.